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July 15, 1999

BY FACSIMILE

The Honorable Carol Browner
Administrator
Environmental Protection Agency
401 M Street, S.W.
Washington, D.C. 20460

Dear Administrator Browner:

It has come to our attention that the Justice Department, on behalf of the Environmental Protection Agency (EPA), has commenced suit against Toyota Motor Sales USA Inc., seeking penalties potentially totaling \$58.5 billion. We are concerned that EPA's action may cause major economic devastation without yielding any offsetting benefit in terms of public health and safety.

It is our understanding that, in 1995, Toyota worked with the California Air Resources Board (CARB) to develop devices that would satisfy CARB's standards for emissions monitoring equipment. These devices were then put in production and installed in Toyota's vehicles. But CARB then reinterpreted its rules and found that the previously approved devices were out of compliance.

Toyota claims that painting the outside of two mid-size houses or refinishing two cars at a body shop would release more hydrocarbon emissions than would be released if the monitoring devices failed simultaneously in all 2.2 million Toyota vehicles in question. If that estimate is even remotely correct, we are concerned that EPA's action will not benefit public health and safety. Indeed, given the rather obvious connection between livelihoods and living standards, the squandering of billions of dollars in productive assets would actually harm health and safety -- and cost thousands of jobs in Indiana and throughout the nation.

The power of the Federal Government to conduct law suits is virtually immeasurable. Such suits place the unlimited resources of the Federal Government against the livelihood of corporations and the employees who work for them. These suits are not without impact. Indeed, a penalty of \$58.5 billion would likely end Toyota's presence in the United States and, therefore, cost tens of thousands of U.S. workers their jobs.

We are concerned that workers and their families will be hurt by this action. In our State of Indiana alone, thousands of Hoosiers work at two major Toyota plants. The new \$1.2 billion Toyota Motor Manufacturing Indiana plant in Princeton builds the Tundra, Toyota's new full-size pickup truck. Toyota Industrial Equipment Manufacturing in Columbus manufactures both internal combustion and electric-powered forklifts for the U.S. market and for export. The Columbus facility builds nearly 95 percent of Toyota's forklifts sold in America.

We would like answers to the following questions. First, measured in terms of lives saved or life-years extended, what are the expected public health and safety benefits of EPA's action? Second, measured in terms of employment impacts and company revenues, what is the potential cost of EPA's lawsuit?

The responses should be delivered to the House Subcommittee on National Economic Growth, Natural Resources and Regulatory Affairs, which Mr. McIntosh chairs, in B-377 Rayburn House Office Building by August 1, 1999. If you have any questions, please contact Staff Director Marlo Lewis at 225-1962.

Sincerely,



The Honorable David M. McIntosh



The Honorable John Hostettler

cc: The Honorable Dan Burton
The Honorable Dennis Kucinich